ing units as long as input-output norms and forward and backward linkages are established.

(vi) Under 100% Export Oriented Units and Free Trade Zones Scheme, facilities for liberal import of capital goods and raw materials alongwith many other concessions are given. These units have now also been made eligible for CCS and tax holidays for 5 years. They can also sell 25% of their products in the domestic markets and also use foreign brand name subject to certain conditions.

(vii) The number of days of pre-shipment credit has been increased from 90 days to 180 days. The rate of interest has also been reduced by 2.5%.

(viii) Tax concession under Section 80 HHC for export profits has been enhanced so as to exempt 100% export profit from income tax.

(ix) The agency commission has been increased and rules for blanket permission for foreign exchange have been substantially liberalised.

(x) Government has been giving liberal assistance for sponsoring and funding promotional activities such as market studies, Buyer-Seller-Meets, participation in fairs and exhibition and publicity.

Setting up of Cooperative Spinning Mills in Orissa

217. SHRI BASUDEB MOHAPATRA : Will the Minister of TEXTILES be pleased to state :

(a) what is the number of cooperative spinning mills already established in Orissa;

(b) what is the total amount sanctioned for the said mills and the amount repayed on that head uptill now;

(c) whether there is any proposal under Government's consideration to eastablish cooperative spinning mills during the remaining period of Seventh Five Year Plan; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM) : (a) and (b) As on 30.6.1988, an amount of Rs. 19.49 crores is reported to be outstanding out of the total loan of Rs. 24.14 crores sanctioned in respect of six cooperative spinning mills already established in Orissa.

(c) and (d) There is no new proposal for industrial licence pending with the Union Govérnent at present for setting up of cooperative spinning mills.

Setting up of a subsidiary of LIC for housing development

218. SHRI V. NARAYANASAMY :
SHRI PARVATHANENI UPENDRA :
SHRI RAM AWADHESH SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the study group formed by the Life Insurance Corporation has recommended to Government for the formation of a separate subsidiary of LIC for housing development; and

(b) if so, what are the details thereof and what is Central Government's reaction thereto?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Yes, Sir.

(b) The Life Insurance Corporation of India is examining the various modalities in connection with the formation of subsidiary for housing development, including legal aspects involved.